



Butler County
Water System

February 29, 2008

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PUBLIC SERVICE
COMMISSION

MR MICHAEL F BURFORD
DIRECTOR DIVISION OF FILINGS
PUBLIC SERVICE COMMISSION
211 SOWER BLVD
P O BOX 615
FRANKFORT KY 40602-0615

RE: Case No. 2003-00486

Dear Mr. Burford:

In accordance with the Final Order in the referenced case and your reminder letter of February 12, 2008, enclosed is our income statement for calendar year 2007. This statement demonstrates that the rates approved in that case are sufficient. If we can provide additional information at this time, please let me know.

Sincerely,

Alan H. Vilines, P.E.
General Manager

AHV:jh

Providing high quality
water services to
families and businesses
throughout
Butler County.



523 US HWY 31-W Bypass • P.O. Box 10180 • Bowling Green, KY 42102-4780 • 270-842-0052 • butlerwater.com

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EQUAL OPPORTUNITY PROVIDER AND EMPLOYER

BUTLER COUNTY WATER SYSTEM, INC.

Summary of Revenue & Expense

January - December 2007

OPERATING REVENUE:

Metered Revenue	\$	1,756,015
Forfeited Discounts		33,679
Miscellaneous Service Revenue		24,105
Other Water Revenue		37
Interest Income		51,972
Disposition Gains \ (Losses)		<u>(5,152)</u>

TOTAL Operating Revenue 1,860,656

OPERATING EXPENSES:

Salaries and Wages	326,695
Fringe Benefits	168,898
Purchased Power	105,591
Chemicals	43,659
Materials & Supplies	54,712
Contractual Servs - Accounting	4,950
Contractual Servs - Other	135,484
Rental of Building & Utilities	14,671
Equipment Expense	52,856
Insurance - General Liability	19,540
Insurance - Other	913
Bad Debt Expense	3,306
Miscellaneous Expenses	<u>3,140</u>

SUBTOTAL - Operating Expenses 934,415

OTHER EXPENSES:

Depreciation	406,219
Regulatory Expense	2,949
Tax Expense	-
Customer Deposit Expense	<u>5,751</u>

SUBTOTAL - Other Expenses 414,919

DEBT REPAYMENT

Interest Expense	258,258
Principal	<u>156,612</u>

SUBTOTAL - Debt Repayment 414,870

TOTAL EXPENSES & PRINCIPAL \$ 1,764,204

NET INCOME AFTER PRINCIPAL \$ 96,452